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BUCHALTER NEMER DESSIONAL CORPORATION LOS ANGELES

- Defendants OREXIS LLC, URBAN NUTRITION LLC and EXCELL NOW LLC (incorrectly named in the caption as EXCELL) (collectively "Defendants") by and through their attorneys, Kelley Drye & Warren LLP and Buchalter Nemer, P.C., as and for their Answer to the Complaint of RAY SAHELIAN ("Plaintiff") hereby aver as follows:
- 1. Admit, with respect to Paragraph 1 of the Complaint, that Plaintiff has alleged that this action arises under the Lanham Act, 15. U.S.C. §§ 1051, et seq., and California law, and that Plaintiff has alleged this Court has subject matter jurisdiction under 28 U.S.C. §§ 1331 and 1338, and supplemental jurisdiction under 28 U.S.C. § 1367, but Defendants deny liability for any and all claims asserted by Plaintiff for the reasons stated herein. Except as so admitted, Defendants deny knowledge or information sufficient to form a belief as to the remaining allegations of Paragraph 1 of the Complaint and, therefore, deny same.
- Admit, with respect to Paragraph 2 of the Complaint, that Plaintiff has 2. alleged this Court has Federal Question jurisdiction under 28 U.S.C. §§ 1331, but Defendants deny liability for any and all claims asserted by Plaintiff for the reasons stated herein. Except as so admitted, Defendants deny knowledge or information sufficient to form a belief as to the remaining allegations of Paragraph 1 of the Complaint and, therefore, deny same.
- Admit, with respect to Paragraph 3 of the Complaint, that Plaintiff has alleged that this Court has personal jurisdiction over Defendants, but Defendants deny liability for any and all claims asserted by Plaintiff for the reasons stated herein. Except as so admitted, Defendants deny the remaining allegations of Paragraph 3 of the Complaint.
- Admit, with respect to Paragraph 4 of the Complaint, that Plaintiff has alleged that venue is proper before this Court under 28 U.S.C. § 1391 (b) and (c), but Defendants deny liability for any and all claims asserted by Plaintiff for the reasons stated herein. Except as so admitted, Defendants deny knowledge or BN 2383612v1

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AMENDED ANSWER AND COUNTERCLAIMS

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1 **COUNT VII [sic]** 2 50. Repeat, reaffirm and reallege with respect to Paragraph 50 of the 3 Complaint, their answers to Paragraphs 1 through 49 of the Complaint. Deny each and every allegation found in Paragraph 51 of the 4 51. Complaint. 5 6 52. Deny each and every allegation found in Paragraph 52 of the 7 Complaint. 8 53. Deny each and every allegation found in Paragraph 53 of the 9 Complaint. 10 54. Deny each and every allegation found in Paragraph 54 of the 11 Complaint. 12 **COUNT VIII** 13 55. Repeat, reaffirm and reallege with respect to Paragraph 55 of the 14 Complaint, their answers to Paragraphs 1 through 54 of the Complaint. 15 56. Deny each and every allegation found in Paragraph 56 of the 16 Complaint. 17 57. Deny each and every allegation found in Paragraph 57 of the 18 Complaint. 19 58. Deny each and every allegation found in Paragraph 58 of the 20 Complaint. 21 59. Deny each and every allegation found in Paragraph 59 of the 22 Complaint. 23 60. Deny each and every allegation found in Paragraph 60 of the 24 Complaint. 25 **COUNT IX** 26 61. Repeat, reaffirm and reallege with respect to Paragraph 61 of the 27 Complaint, their answers to Paragraphs 1 through 60 of the Complaint. 28 BN 2383612v1 BUCHALTER NEMER 6 A PROFESSIONAL CORPORATION LOS ANGELES

AMENDED ANSWER AND COUNTERCLAIMS

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THE PARTIES

- 1. Orexis is a limited liability company organized and existing under the laws of the State of Virginia, with its principal place of business at PO Box 310, Hoboken New Jersey, 07030.
- 2. Counterclaim-Defendant, Sahelian, is, upon information and belief, an individual who resides in Los Angeles, California.
- 3. Counterclaim-Defendant Longevity is a business entity the form of which is unknown to Counterclaimant with a principal place of business at PO Box 12619, Marina Del Ray, CA 90295, which is the registrant of the domain name www.raysahelian.com. It is Orexis' contention, upon information and belief, that Longevity is owned or controlled by Sahelian.
- 4. Counterclaim-Defendants John Does 1-10, are business entities or individuals, whose identities are not yet known to Orexis, which have participated, along with Sahelian and Longevity, in the wrongful conduct discussed herein.

JURISDICTION AND VENUE

- 5. This is an action for: (i) infringement of a federally registered trademark in violation of Section 32(1) of the Trademark Act of 1946 (15 U.S.C. § 1051, et seq., as amended (the "Lanham Act")), 15 U.S.C. § 1114(1); (ii) unfair competition, trademark infringement, and passing off in violation of Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a); (iii) violations of California Business and Professions Code § 17200; (iv) substantial and related claims of trademark infringement and unfair competition under the common law of the State of California; and (v) cancellation of an invalid registered mark on the Principal Register of the United States Patent and Trademark Office (the "PTO").
- 6. This Court has subject matter jurisdiction over this action under 15 U.S.C. § 1121, 28 U.S.C. § 1331, and 28 U.S.C. § 1338(a) and (b), as it involves substantial claims arising under the Lanham Act, and also has supplemental

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jurisdiction under 28 U.S.C. § 1367 over the substantial and related claims under

7. Venue is proper in this District under 28 U.S.C. §§ 1391(b) and 1391(c) because a substantial part of the acts or omissions giving rise to the claims occurred in this District.

FACTS

- For many years, Orexis has been engaged in the sale and distribution 8. of dietary supplements throughout the United States. Orexis' dietary supplements are well-regarded and designed to address sexual health concerns.
- 9. Among the most popular of Orexis' products are those in the OREXIS product line. Since at least as early as October 2003, and long prior to the acts of Counterclaim-Defendants complained of herein, Orexis adopted and used, and has continued to use, the trademark OREXIS on dietary supplements in interstate commerce in the United States, including within this District and throughout the State of California. Since the adoption and first use of the OREXIS trademark on dietary supplements, Orexis has prominently displayed the OREXIS trademark on packaging, advertising, and product literature for the goods, which have been advertised, promoted, offered for sale, and sold in interstate commerce in the United States, including within this District and throughout the State of California.
- 10. Orexis is the owner in the United States of all right, title, and interest in and to the Registration No. 3,232,347 with the PTO for the mark OREXIS for "dietary supplement," which registered on April 24, 2007. A copy of the certificate of registration for the OREXIS trademark is attached hereto as Exhibit A.
- 11. The aforesaid registration is valid and subsisting, unrevoked and uncancelled, and Orexis is the owner of said registration and the trademark shown therein and all of the business and goodwill connected with said trademark in the United States.

- 12. The aforesaid registrations have put Counterclaim-Defendants on constructive notice of Orexis' claim of ownership to the OREXIS mark since at least as early as the date of its registration with the PTO.
- 13. Since long prior to the acts of Counterclaim-Defendants complained of herein, Counterclaimant's dietary supplements sold under the OREXIS trademark have been extensively advertised, promoted, distributed, and sold in interstate commerce in the United States. Each year, Counterclaimant expends substantial sums in connection with the advertisement and promotion of OREXIS products.
- 14. As a result of the widespread success and popularity of OREXIS products with the purchasing public, Counterclaimant's intensive advertisement and promotional efforts in support of its OREXIS products, and the excellence of OREXIS products, Counterclaimant has built up an invaluable reputation, goodwill, and fame in the OREXIS trademark in the United States.
- 15. Beginning in 2006, Counterclaim-Defendants used the designation "orexis" in connection with a web page located at the domain name <<raysahelian.com>>. The web page was entitled "Orexis: by Ray Sahelian, M.D. Deceitful Marketing by Orexis" (the "Sahelian Web Page"). A true and correct copy of the Sahelian Web Page as it appeared on October 17, 2006 is attached hereto as Exhibit B.
- 16. Counterclaim-Defendants' use of the OREXIS name and mark in connection with this page caused the Sahelian Web Page to be listed at or near the top of search results pages when search engine users looked for Orexis and its products.
- 17. Although the Sahelian Web Page has been modified over time and was briefly removed from Sahelian's website, a version of the Sahelian Web Page remains on the Internet today. A true and correct copy of the current version of the Sahelian Web Page is attached hereto as Exhibit C.

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- 18. In addition to operating the Sahelian Web Page, Counterclaim-Defendants, upon information and belief, have purchased keyword advertising on search engines such as Yahoo, Google, and MSN triggered by searches for the mark OREXIS. As a result, an individual who searches for OREXIS on such search engines may receive a webpage which includes links to webpages operated by Counterclaim-Defendants, including the Sahelian Web Page, which contain false statements about Orexis' products and which encourage consumers to purchase Counterclaim-Defendants' products which compete with OREXIS, including his "Passion Rx" products.
- 19. The Sahelian Web Page either currently contains or has previously contained statements that Orexis "lacks integrity", makes "misleading and deceitful claims", "mislead[s] the public", and "cannot [be] trust[ed]", and in turn, advertises and offers for sale a competing male sexual enhancement product.
- 20. In addition, Counterclaim-Defendant Sahelian continues to hold himself out as a "doctor in private practice" although his license to practice medicine (MD034596E, issued in Pennsylvania) expired in 1990. Counterclaim-Defendant Sahelian further holds himself out as a practicing physician by stating that "Due to a busy schedule with writing and research [he is] currently not taking new patients." A true and correct copy of a web page operated by Counterclaim-Defendants which makes these representations is attached hereto as Exhibit D.

FIRST CLAIM FOR RELIEF

False and Misleading Advertising In Violation of Section 43(a) of the Lanham Act (Against All Counterclaim Defendants)

21. Orexis repeats and realleges each and every allegation contained in paragraphs 1 to 20 of these Counterclaims with the same force and effect as if fully set forth herein.

- 22. Counterclaim-Defendants mislead consumers in violation of the Lanham Act, 15 U.S.C. § 1125(a), by making false and misleading statements about Sahelian and about products marketed and sold by Counterclaim-Defendants.
- 23. Counterclaim-Defendants mislead consumers in violation of the Lanham Act, 15 U.S.C. § 1125(a), by making false and misleading statements about Orexis, its products, and its marketing practices.
- 24. Counterclaim-Defendants' actions have caused and will continue to cause irreparable injury to Orexis unless enjoined by this court.
 - 25. Counterclaim-Defendants' actions have been willful.
- 26. Counterclaim-Defendants' acts have caused Counterclaimant to suffer damages in an amount to be proven at trial

SECOND CLAIM FOR RELIEF

Trademark Infringement

(Against All Counterclaim-Defendants)

- 27. Orexis repeats and realleges each and every allegation contained in paragraphs 1 to 26 of these Counterclaims with the same force and effect as if fully set forth herein.
- 28. Counterclaim-Defendants' unauthorized and willful use of copies, variations, reproductions, simulations or colorable imitations of Orexis' registered mark in connection with the advertising, offering for sale and sale of Counterclaim-Defendants' goods and services, including their use of the OREXIS mark as a trigger for keyword advertising purchased by Counterclaim-Defendants and on websites operated by Counterclaim-Defendants, constitutes use in commerce which infringes Orexis' exclusive rights in its federally-registered marks and is likely to cause confusion, mistake or deception as to the source of the services subject of the keyword advertising offered by Counterclaim-Defendants.

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- 29. The aforesaid acts of Counterclaim-Defendants, namely, the unauthorized and willful use of copies, variations, reproductions, simulations or colorable imitations of Orexis' registered mark OREXIS in connection with the advertising, offering for sale and sale of Counterclaim-Defendants' goods and services, constitutes infringement in violation of Section 32(1) of the Lanham Act, 15 U.S.C. § 1114(1).
- 30. Counterclaim-Defendants' actions have caused and will continue to cause irreparable injury to Counterclaimant unless enjoined by this court.
 - 31. Counterclaim-Defendants' actions have been willful.
- 32. The aforesaid acts of Counterclaim-Defendants have caused damages to Orexis in an amount to be proven at trial.

THIRD CLAIM FOR RELIEF

Unfair Competition

(Against All Counterclaim Defendants)

- 33. Counterclaimant repeats and realleges each and every allegation contained in paragraphs 1 to 32 of these Counterclaims with the same force and effect as if fully set forth herein.
- 34. Use by Counterclaim-Defendants of copies, variations, reproductions, simulations or colorable imitations of the Orexis mark with the advertising, offering for sale and sale of Counterclaim-Defendants' goods and services conveys the misleading commercial impression to the public that Counterclaim-Defendants' products, are approved by, sponsored by or are somehow affiliated or connected with Counterclaimant.
- 35. The aforesaid acts of Counterclaim-Defendants, namely, the use of copies, variations, reproductions, simulations or colorable imitations of the Orexis mark in connection with the advertising, offering for sale and sale of Counterclaim-Defendants' goods and services, constitutes a false designation of origin and false

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- 44. Counterclaim-Defendants' actions have caused and will continue to cause irreparable injury to Counterclaimant unless enjoined by this court.
 - 45. Counterclaim-Defendants' actions have been willful.
- 46. The aforesaid acts of Counterclaim-Defendants have caused damages to Orexis in an amount to be proven at trial.

SIXTH CLAIM FOR RELIEF

Invalidation of a Mark

(Against Sahelian Only)

- 47. Counterclaimant repeats and realleges each and every allegation contained in paragraphs 1 to 46 of these Counterclaims with the same force and effect as if fully set forth herein.
- 48. Sahelian has brought suit against Orexis seeking damages for allegedly infringing trademark rights purportedly owned by Sahelian in the mark PASSION RX, including rights in U.S. Trademark Reg. No. 2,935,064 that covers said mark. Orexis has denied any liability for the alleged infringement and contends (among other things) that Sahelian has no enforceable rights in the mark or, at the very least, cannot enforce whatever rights in the purported mark "PASSION RX" he may have against Orexis.
- 49. Sahelian's trademark registration for the designation "PASSION RX", Registration No. 2,935,064 on the Principal Register of the PTO, for herbal supplements, is invalid and unenforceable because this registered mark is merely descriptive of the goods which are subject of the registration.
- 50. Registration No. 2,935,064 on the Principal Register of the PTO is subject to order of cancellation from this Court under Section 37 of the Lanham Act, 15 U.S.C. § 1119, which is appropriate and just.
- 51. Orexis has been and is being damaged by Sahelian's maintenance of Registration No. 2,935,064 on the Principal Register of the PTO.

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Los ANGELES

Sahelian's acts have caused Orexis to suffer damages in amount to be 52. 1 2 proven at trial. 3 PRAYER FOR RELIEF WHEREFORE, Counterclaimant prays for judgment against Counterclaim-4 Defendants, and each of them, jointly and severally, as follows: 5 That Counterclaim-Defendants be required to reimburse 6 Counterclaimant for all actual damages and lost sales suffered by Counterclaimant 7 by reason of Counterclaim-Defendants' illegal conduct, as well as any profits of 8 Counterclaim-Defendants that are attributable to Counterclaim-Defendants' unfair 9 competition and infringement not taken into account in computing the actual 10 damages, and that punitive damages be awarded as authorized under the law; 11 That Counterclaim-Defendants be required to pay all of 12 2. Counterclaimant's attorneys' fees, expenses and costs associated with this action 13 pursuant to the Lanham Act, 15 U.S.C. §1117; 14 That, based on the deliberate and willful acts of Counterclaim-15 3. Defendants, the award to Counterclaimant be increased as provided for under 15 16 17 U.S.C. § 1117; That, based on the deliberate an willful acts of Counterclaim-18 4. Defendants, Counterclaimant recover its attorneys' fees and costs and 19 20 disbursements herein; That the Court find that Sahelian's purported mark PASSION 21 5. RX is merely descriptive, and order the Commissioner of the U.S. Patent and 22 Trademark Office to cancel U.S. Registration No. 2,935,064 pursuant to 15 U.S.C. 23 24 § 1119; and That Counterclaimant have such further relief as this Court may 25 6. 26 deem just. 27 28 BN 2383612v1

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1	DEMAND FOR A JURY TRIAL
2	Counterclaimant hereby demands a jury trial on all claims and on all issues
3	triable by a jury.
4	RESERVATION OF RIGHTS
5	Defendants'/Counterclaimant's responses to the allegations in the Complaint,
6	as well as their defenses, and counterclaims are based on information that is
7	currently known. Defendants/Counterclaimant reserve the right to amend their
8	responses and/or defenses and/or counterclaims should additional information
9	become known to them.
10	DATED: October 31, 2008 BUCHALTER NEMER
11	DATED: October 31, 2008 BUCHALTER NEMER A Professional Corporation
12	
13	By: ZHOLBR
14	Attorneys for Defendant/Counterclaimant OREXIS LLC and Defendants URBAN
15	NUTRITION and EXCELL
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Los Angeles	AMENDED ANSWER AND COUNTERCLAIMS

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Int. Cl.: 5

Prior U.S. Cls.: 6, 18, 44, 46, 51 and 52

Reg. No. 3,232,347

United States Patent and Trademark Office

Registered Apr. 24, 2007

TRADEMARK PRINCIPAL REGISTER

OREXIS

OREXIS, LLC (VIRGINIA LTD LIAB CO) PO BOX 310 HOBOKEN, NJ 07030

FOR: DIETARY SUPPLEMENT, IN CLASS 5 (U.S. CLS. 6, 18, 44, 46, 51 AND 52).

FIRST USE 10-1-2003; IN COMMERCE 10-1-2003.

THE MARK CONSISTS OF STANDARD CHARACTERS WITHOUT CLAIM TO ANY PARTICULAR FONT, STYLE, SIZE, OR COLOR.

SER. NO. 78-359,442, FILED 1-29-2004.

ASMAT KHAN, EXAMINING ATTORNEY